



# RESEARCH REPORT

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Catalog number	97005C
Date:	January 16, 1997
Subject:	Rabies/Animal Control Spay/Neuter Clinic Contract Expiration
To:	David R. Smith, County Administrative Officer
From:	Sandi Wilson, Chief Resource Officer
Prepared By:	Andree Cohen, Privatization Coordinator

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## Issue

The Rabies/Animal Control (R/AC) contract with Animal Foundation International (AFI) to provide spay and neuter services expires June 30, 1997, and a decision is requested regarding contract disposition and County direction for R/AC.

## Discussion

AFI performs contracted spay and neuter services at both R/AC facilities, as well as transporting County animals to their 19th Avenue and Bell Road Phoenix Luv-A-Pet Clinic. Historically, this has caused adoption delays and additional holding periods which increases the cost to provide service. Public awareness and dissatisfaction are increased due to these delays. R/AC is currently evaluating whether or not to operate their own spay and neuter clinic prior to the June 30, 1997 AFI contract expiration.

Three options exist to meet the June 30, 1997 contract expiration deadline:

1. Competitively bid spay and neuter clinic services.
2. Negotiate a short renewal of the current AFI contract until competitive privatization can be completed. (This item may or may not be included as part of a privatization effort.)
3. Allow the department to establish an internal spay and neuter clinic.

**All three options listed above require completion of the privatization process due to the desire of the department to bring the function in-house.**

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AFI is compensated for each animal adopted, as opposed to each animal spayed or neutered. The actual FY 95-96 annual cost of the AFI contract, not including facilities and equipment expense, is \$268,372. Added to that total is the cost to R/AC for the space, equipment maintenance and related veterinary services. A cursory review of the FY 1995-96 actual invoices paid shows additional payment of \$150,925 for other veterinary related payables other than to AFI. This figure may also include the cost of other temporary veterinarians utilized by R/AC for sick or injured animals which may not be related to spay and neuter services.

The estimated cost of spay and neuter services, including related veterinary services and supplies, totals \$419,297 for FY 1995-96.

### **Recommendation**

The contract with AFI to provide spay and neuter clinic services expires June 30, 1997. The following recommendation is made:

1. Permit Materials Management to negotiate a one year renewal of the current AFI contract until privatization can be completed.
2. Complete the RFP for privatization of R/AC based upon a multi-step bid process and include spay and neuter services in this process.
3. Issue an RFP for privatization of R/AC in the fall of 1997.

This process will allow R/AC several months time to implement their reorganization prior to beginning the privatization bid process, and would not circumvent the competitive privatization policy. It would further provide sufficient time to analyze expenses related to all functions performed within the R/AC budget.